

STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, September 15, 2020 -- 9:30 A. M.

Room 252, Edgar A. Brown Building

AGENDA INDEX

Item	Agency	Subject
A.		ADOPTION OF PROPOSED AGENDA
B.		REGULAR SESSION
1.	State Treasurer's Office	Bond Counsel Selection
2.	South Carolina State University	A RESOLUTION APPROVING A MODIFICATION OF CERTAIN TERMS RELATED TO THE \$36,600,000 RICE CAPITAL ACCESS PROGRAM, LLC, FUTURE ADVANCE PROJECT FUNDING BOND SERIES A 2016-3 (SOUTH CAROLINA STATE UNIVERSITY PROJECT) (LONG-TERM FIXED-RATE BOND) CLOSED ON SEPTEMBER 27, 2016

AGENCY: State Treasurer's Office

SUBJECT: Bond Counsel Selection

The State Treasurer's Office has provided the following notification, for informational purposes, of the firm selected and approved:

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel
Modification of \$36,600,000 Rice Capital Access Program, LLC Future Advance Project Funding Bond Series A 2016-3 (South Carolina State University Project) (Long-Term Fixed-Rate Bond Issued under Higher Education Revenue Bond Act)	South Carolina State University	Pope Flynn – Gary Pope

AUTHORITY ACTION REQUESTED:

In accord with Authority policy, receive the State Treasurer's Office report of bond counsel as information.

ATTACHMENTS:

Bond Counsel Selection Approved by the State Treasurer's Office

The State Treasurer advises the State Fiscal Accountability Authority, for informational purposes, of the firms selected and approved for its September 15, 2020 meeting:

CONDUIT ISSUES:

Description of Issue	Agency/Institution (Borrower)	Bond Counsel	Issuer's Counsel	Date STO Approved

GENERAL OBLIGATION / REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved
Modification of \$36,600,000 Rice Capital Access Program, LLC Future Advance Project Funding Bond Series A 2016-3 (South Carolina State University Project) (Long-Term Fixed-Rate Bond Issued under Higher Education Revenue Bond Act)	South Carolina State University	Pope Flynn – Gary Pope	09/14/20

AGENCY: South Carolina State University

SUBJECT: A Resolution Approving A Modification Of Certain Terms Related to the \$36,600,000 Rice Capital Access Program, LLC, Future Advance Project Funding Bond Series A 2016-3 (South Carolina State University Project) (Long-Term Fixed-Rate Bond) closed on September 27, 2016

South Carolina State University requests the Authority to adopt a resolution approving a modification of certain terms related to the \$36,600,000 Rice Capital Access Program, LLC, Future Advance Project Funding Bond Series A 2016-3 (South Carolina State University Project) (Long-Term Fixed-Rate Bond) closed on September 27, 2016.

AUTHORITY ACTION REQUESTED:

Adopt a resolution approving a modification of certain terms related to the \$36,600,000 Rice Capital Access Program, LLC, Future Advance Project Funding Bond Series A 2016-3 (South Carolina State University Project) (Long-Term Fixed-Rate Bond) closed on September 27, 2016.

ATTACHMENTS:

1. Letter from G. Pope to D. Singleton, dated Sep. 12, 2020
2. Executive Summary from the University to the Authority
3. Email from D. Watson to T. Brewington, dated Sep. 1, 2020
4. Draft Resolution of South Carolina State University's Board of Trustees
5. Proposed form of opinion of Pope Flynn, LLC
6. Proposed resolution of the State Fiscal Accountability Authority



Pope Flynn, LLC
1411 Gervais Street, Suite 300
Post Office Box 11509 (29211)
Columbia, SC 29201
MAIN 803.354.4900
FAX 803.354.4899
www.popellynn.com

September 12, 2020

Mr. Delbert H. Singleton, Jr.
Assistant Executive Director and Authority Secretary
South Carolina State Fiscal Accountability Authority
1200 Senate Street, Suite 600
Columbia, South Carolina 29201

Re: Proposed Modification to Certain Terms of the \$36,600,000 Rice Capital Access Program, LLC Future Advance Project Funding Bond Series A 2016-3 (South Carolina State University Project) (Long-Term Fixed-Rate Bond), closed September 27, 2016 (the "Modification")

Dear Delbert:

On behalf of the South Carolina State University (the "University"), in connection with the authorization of the Modification, and in anticipation of the South Carolina State Fiscal Accountability Authority (the "Authority") special-called meeting on or about September 14, 2020, we respectfully enclose the following for consideration by the Authority:

1. An Executive Summary from the University to the Authority regarding the Modification;
2. A copy of a resolution anticipated to be adopted by the Board of Trustees of South Carolina State University at a meeting scheduled for 9:00 a.m., September 14, 2020, authorizing the Modification (please note that an executed version of this resolution will be provided immediately following the September 14 meeting);
3. A proposed form of opinion of Pope Flynn, LLC in connection with the Modification;
4. A proposed form of resolution of the Authority (an electronic copy is being provided contemporaneously with this letter).

Best regards,

A handwritten signature in black ink, appearing to read "G. T. Pope, Jr.", written over a light blue horizontal line.

Gary T. Pope, Jr.

c: Teare M. Brittingham, Vice President for Finance & Management, South Carolina State University
Kevin Kibler, Senior Assistant State Treasurer, Office of State Treasurer

Enclosures

Executive Summary

Prepared by South Carolina State University in Connection with the Proposed
Authorization of a Modification to of Certain Terms of the

\$36,600,000

RICE CAPITAL ACCESS PROGRAM, LLC FUTURE ADVANCE PROJECT FUNDING BOND
SERIES A 2016-3 (SOUTH CAROLINA STATE UNIVERSITY PROJECT) (LONG-TERM FIXED-
RATE BOND) CLOSED ON SEPTEMBER 27, 2016

September 12, 2020

I. Background

This Executive Summary has been prepared by South Carolina State University (the “University”) in connection with a request for a proposed modification to certain terms of the \$36,600,000 Rice Capital Access Program, LLC Future Advance Project Funding Bond Series A 2016-3 (South Carolina State University Project) (Long-Term Fixed-Rate Bond, closed September 27, 2016 (the “2016 Capital Project Loan”).

The 2016 Capital Project Loan refinanced a 2005 loan funded under the federal government’s Historically Black College and University Capital Financing Program (the “HBCU Program”), that was used to finance the 750-bed student housing facility known as Hugine Suites. The 2016 Capital Project Loan was a refinancing through the same HBCU Program and was approved by the State Fiscal Accountability Authority on September 9, 2016, resulting in a gross debt service savings of approximately \$11.4 million (\$8.43 million on a net present value basis). The 2016 Capital Project Loan has a final maturity of March 1, 2035.

On March 27, 2020, the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law and the provisions thereof, *inter alia*, provide for the deferment of loans facilitated by the federal government through its HBCU Program. By resolution dated July 10, 2020, the University Board of Trustees authorized an application to the HBCU Program for a modification of the 2016 Capital Project Loan to access certain concessions and deferments offered in the CARES Act specific to the HBCU Program should the University receive notification of its eligibility to participate.

On September 1, 2020, the Executive Director of the U.S. Department of Education, Capital Financing Division, communicated to the University its approval to participate in the CARES Act concessions and deferments specific to the HBCU Program, subject to receiving appropriate documentation of the modifications to the terms of the 2016 Capital Project Loan by September 15, 2020 (the “Modifications”). The September 1 communication from the U.S. Department of Education set forth the salient terms of the Modifications:

- A temporary postponement of principal and interest payments on the 2016 Capital Project Loan
- No capitalization of interest while payments are temporarily postponed
- Repayment of postponed principal and interest payments to follow the initial final term of the 2016 Capital Project Loan
- No accrued interest beyond the current final term of the 2016 Capital Project Loan
- Retroactive application to April 1, 2020, resulting in a reimbursement for any principal and interest payments made during this time
- No increase in overall payments on the 2016 Capital Project Loan
- Mandatory closing on September 15, 2020, to allow appropriate documentation at the U.S. Department of Education prior to the end of the federal fiscal year on September 30, 2020

On September 2, the University received draft documentation from counsel to the HBCU Program, and the documentation was submitted for University internal review. During the course of the documentation review, a counsel opinion issued by Pope Flynn, LLC for the 2016 refinancing was referenced during a communication between the University's internal counsel and counsel to the HBCU Program. Thereafter, on September 8, the University sought insight from the Office of State Treasurer on the Pope Flynn opinion, and the University was connected to Pope Flynn on September 9. Upon being contacted on September 9, Pope Flynn determined that the documentation provided on September 2 would require additional Board of Trustees and State Fiscal Accountability Authority approval to implement the Modifications and has assisted the University in the conformance of the transaction to state law. During this same period, the University was also undergoing its 10-year SACSCOC onsite preparation and review, which preliminary feedback indicates was successfully completed.

The Modifications provided on September 2, 2020, generally include a First Amendment of Capital Project Loan Agreement; a First Amendment of Promissory Note Relating to Series A 2016-3 Bond; a Reimbursement Promissory Note Relating to Series A 2016-3 Bond; and other miscellaneous certificates and opinions conforming the representations made in 2016 as part of the authorization of the 2016 Capital Project Loan to the Modifications.

By the terms of the Modifications the principal and interest payment obligation of the University is deferred from April 1, 2020, until the earlier of (a) the end of the a public health emergency related to the coronavirus as declared by the President of the United States; (b) the CARES Act (or a successor act) appropriation to the HBCU Program is exhausted (which could result in a deferral for only the current federal fiscal year as no such appropriation has yet been made for the next federal fiscal year); or (c) prepayment or default by the University (the "Deferment Period"). However, in no event may the Deferment Period extend beyond five years.

As referenced above, deferred debt service will be paid over a like timeframe to that of the Deferment Period, following the existing March 1, 2035 final maturity of the 2016 Capital Project Loan. The University anticipates adopting a resolution of its Board of Trustees incorporating the Modification provisions at a meeting at 9:00 a.m. on Monday, September 14, 2020 (the "Modification Resolution").

Debt service on the 2016 Capital Project Loan is level at approximately \$2.3 million through maturity. The University would therefore realize an annual cash-flow benefit of \$2.3 million for each year during the Deferment Period. As referenced above, the Deferment Period will be applied retroactively for the Federal Fiscal 2020; therefore, the University's initial deferment period would begin April 1, 2020 and end on September 30, 2020.

II. Specific Action Requested

The University respectfully requests that the State Fiscal Accountability Authority approve and authorize the University to undertake the Modifications as authorized and set forth in the Modification Resolution.

Brewington,Teare

From: Watson, Donald <Donald.Watson@ed.gov>
Sent: Tuesday, September 1, 2020 4:55 PM
To: Brewington,Teare
Cc: James E. Clark; Abraham, Shondra F.; Pullian, Denika; 'rcap@ricefin.com'; Sabrina Fuller; Joshua Fitzsimon; Mary A. Willis; James Coleman; Keirston Woods (kwoods@bmolaw.com)
Subject: RE: CARES Act Deferment Request

This email is to inform you that your institution **has been selected** to receive a deferment under the Coronavirus Aid, Relief, and Economic Security (CARES) Act Pub. L. No. 116-136 (March 27, 2020) on its **Series 2016-3** loan(s) through the Historically Black College and University Capital Financing Program. This deferment is a temporary postponement of principal and interest payments. However, interest will not be capitalized during the deferment and will not continue to accrue beyond the stated bond maturity date. Rather, your institution must repay the principal amount of its loan, together with any interest actually accrued during the deferment, which will cause an extension of the loan's maturity. This deferment does not result in any other changes to your institution's Loan Documents (as defined in your loan agreement), including, but not limited to, your obligation to continue paying fees associated with your monthly deposits and to provide information reporting under Article 5 of your loan agreement.

The terms of this deferment require that your institution, **within 14 days** of the date of this email, execute a promissory note and other documents for the repayment of your institution's loan(s) beyond its stated bond maturity date(s). Future deferments will be contingent on appropriations sufficient to pay principal and interest on the deferred loan(s) and the duration of the coronavirus-related emergency. Because your deferment was applied retroactively for the Federal Fiscal Year 2020, your initial deferment **began on April 1, 2020 and ends on September 30, 2020.**

The U.S. Department of Education (Department) is refunding, to your institution, payments that you have made on the following loans:

South Carolina State 2016-3	\$ 1,159,151.03
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This amount reflects regular principal and interest payments made for the following months:

<input checked="" type="checkbox"/> April	<input checked="" type="checkbox"/> May	<input checked="" type="checkbox"/> June	<input checked="" type="checkbox"/> July	<input checked="" type="checkbox"/> August	<input checked="" type="checkbox"/> September
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However, your institution *is responsible for all other portions of its monthly deposit and any loan not covered by deferment.* If you missed all or any portion of a monthly deposit (i.e. principal, interest or fees) prior to this deferment, your institution remains responsible for those payments in arrears. Therefore, when your deferment ends, your loan(s) will be delinquent by any such amounts unless, during the deferment, in addition to your then current and ongoing obligation to pay the fee portion of your monthly deposit, you pay the amounts of principal, interest and/or fees in arrears.

If you have any questions, I can be reached by telephone at (202) 453-6166 or by email at donald.watson@ed.gov.

Don

Donald E. Watson
Executive Director
U.S. Department of Education
Capital Financing Division
400 Maryland Avenue, S.W. Room 278-02
Washington, DC 20202
Office: (202) 453-6166
Fax: (202) 401-8466

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CERTIFICATION

I, the undersigned Chair of **THE BOARD OF TRUSTEES OF SOUTH CAROLINA STATE UNIVERSITY** (hereinafter referred to as the “University”), do hereby certify that I am the Chairman of the Board of Trustees of the University, and that the following resolution was duly and lawfully adopted by the Board of Trustees at its special meeting conducted on September 14, 2020, in accordance with the laws of the State of South Carolina and the bylaws of the University:

A RESOLUTION APPROVING A MODIFICATION OF CERTAIN TERMS RELATED TO THE \$36,600,000 RICE CAPITAL ACCESS PROGRAM, LLC FUTURE ADVANCE PROJECT FUNDING BOND SERIES A 2016-3 (SOUTH CAROLINA STATE UNIVERSITY PROJECT)(LONG-TERM FIXED-RATE BOND) CLOSED ON SEPTEMBER 27, 2016, TO ALLOW SOUTH CAROLINA STATE UNIVERSITY TO AVAIL ITSELF OF CERTAIN CARES ACT PROVISIONS APPLICABLE TO THE HBCU PROGRAM, AND OTHER MATTERS RELATED THERETO

WHEREAS, for the purposes described in the HBCU Capital Financing Act, 20 USC, Section 1066, *inter alia*, the United States Congress authorized financial relief to historically black colleges and universities through access to capital financing or refinancing for the repair, renovation and construction of infrastructure (“HBCU Capital Financing”);

WHEREAS, in 2016 South Carolina State University applied for HBCU Capital Financing in the amount of \$36,600,000 (the “HBCU Loan”);

WHEREAS, the Board of Trustees of the University, at its August 23, 2016 meeting, adopted a resolution authorizing the HBCU Loan;

WHEREAS, the University did receive the HBCU Loan on September 27, 2016;

WHEREAS, the United States Secretary of Education has proposed and the University desires to modify the terms and conditions of the HBCU Loan (the “Modification”);

WHEREAS, the President has presented the general terms and conditions of the Modification to the Board of Trustees;

WHEREAS, the Board of Trustees desires to authorize the Chair of the Board of Trustees, the President of the University, and the Vice President for Finance, or any one of them, acting alone (each an Authorized Officer”), to execute and deliver such documentation as necessary to enter into the Modification.

NOW, THEREFORE BE IT RESOLVED, the Authorized Officers, or any one of them, acting alone, are hereby authorized and directed to prepare, execute and deliver such documents as are necessary to effectuate the Modification. Such action is taken pursuant to Title 59, 147, Article 5 and

Title 6, Chapter 17 of the Code of Laws of South Carolina, 1976, or any combination thereof, and is subject to the approval of the South Carolina State Fiscal Accountability Authority. The documents evidencing the modification, including, but not limited to the First Amendment of Capital Project Loan Agreement, First Amendment of Promissory Note Relating to Series A 2016-3 Bond, the Reimbursement Promissory Note Relating to Series A 2016-3 Bond, in substantially the form presented to the Board of Trustees, with such changes, modification, and revisions as may be approved by an Authorized Officer, the execution thereof by any Authorized Officer constituting conclusive evidence of the approval of any changes, modifications, or revisions.

I further certify the above and foregoing to be a true and correct copy of the resolution adopted by the Board of Trustees at its September 14, 2020 special meeting, and that said resolution has not been rescinded, altered, modified or changed and remains in full force and effect.

[Signature Page Follows]

IN WITNESS WHEREOF, I have hereunto set my hand as Chair of the Board of Trustees of South Carolina State University on this 14th day of September, 2020.

Rodney C. Jenkins, Chair of the Board

[Signature Page to Resolution of the Board of Trustees of South Carolina State University]

September 15, 2020

United States Department of Education
400 Maryland Avenue, SW
Room 4C107
Washington, DC 20006

Rice Capital Access Program, LLC
1075 Peachtree Street, NE, Suite 3650
Atlanta, GA 30309

Regions Bank
1180 West Peachtree Street
Suite 1200
Atlanta, GA 30309

We have acted as legal counsel to South Carolina State University (the “Borrower”) in connection with certain modifications to the Capital Project Loan Agreement (the “Original Loan Agreement”), dated as of September 27, 2016, between the Borrower and Rice Capital Access Program, LLC (the “Lender”), pursuant to the First Amendment of Capital Project Loan Agreement, dated as of September 15, 2020, between the Borrower and the Lender (the “First Amendment”; the Original Loan Agreement, as amended by the First Amendment, being referred to herein as the “Agreement”). Terms defined in the Agreement have the same meaning when used in this opinion. In giving this opinion we have examined a copy of the Agreement signed by the Borrower, originals or copies certified to our satisfaction of certain relevant corporate records of the Borrower and such other documents, records and other matters in our opinion appropriate or necessary to enable us to render our opinion, including the “Modification Documents” set forth in Attachment A hereto.

With regard to certain of the documents we have examined, we have relied on representations of the officers of the Borrower as to the accuracy, completeness, authenticity, due execution and delivery, genuineness of signatures and absence of modification or rescission of the original documents or copies of documents which have been examined by us or provided to us. We have relied, when relevant facts were not independently established by us and to the extent we deem such reliance proper, upon such written and oral statements of officers of the Borrower with regard to certain categories of information and have relied on such individuals to provide us with all documents relevant to such areas of inquiry. In all such examinations, we have assumed (1) the genuineness of all signatures (except for those of the Borrower) on original documents, (2) the conformity to original documents of all copies submitted to us, (3) the due authorization, execution and delivery of all documents by any party other than the Borrower where due authorization, execution and delivery are a prerequisite to the effectiveness thereof, and (4) the right, power and authority of all entities (except for the Borrower) who are parties to any documents reviewed or who are parties to the Modification Documents.

Subject to the qualifications mentioned below, we are of the opinion that:

1. The Borrower is a public agency of the State of South Carolina, duly organized, validly existing and in good standing under the laws of the State.

2. The Borrower has the power, authority and legal right to own its assets and to conduct its business as presently conducted, to execute, deliver and perform its obligations under the Modification Documents and any agreement, document or instrument made or executed pursuant to any Modification Document, to amend the Note, to issue the Reimbursement Note and to borrow and repay the Loan and its Obligations.

3. The execution and delivery by the Borrower of the Modification Documents to which the Borrower is a party, and the performance by the Borrower of its obligations thereunder, have been duly authorized by necessary corporate action of the Borrower.

4. The Borrower is an Eligible Institution as defined in 20 U.S.C. §1061(2).

5. The execution, delivery and performance of each of the Modification Documents by the Borrower do not: (i) violate any of the terms, conditions or provisions of Title 59, Chapter 127 of the Code of Laws of South Carolina 1976, as amended, or the By-Laws of the Borrower; (ii) violate or contravene any provision of law, any rule or regulation or any judgment, injunction or order applicable to the Borrower or its properties or by which it is bound or affected; (iii) violate or contravene, or result in a breach of or constitute a default or ground for acceleration of the maturity of, any mortgage, security agreement, indenture or other agreement or instrument known to us, to which the Borrower is a party or by which the Borrower or its properties may be bound or affected; and (iv) result in the creation or imposition of any lien or security interest on any property of the Borrower other than as contemplated by the Agreement.

6. The Modification Documents are the valid, legal and binding obligations of the Borrower and enforceable against it in accordance with their terms.

7. After review of, and based solely upon reliance on, the litigation and judgment lien searches performed in Orangeburg County, South Carolina, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to our knowledge, threatened in writing against or affecting the Borrower: (a) wherein an unfavorable decision, ruling or finding would materially adversely affect (i) the transactions contemplated by or the validity of any Modification Document, or (ii) the Net Revenues or the ability of the Borrower to perform its obligations under the Modification Documents, (b) which in any way contests the existence, organization or powers of the Borrower or the titles of the officers of the Borrower to their respective offices, or (c) with respect to the Borrower's eligibility under Title IV of the Higher Education Act of 1965, Pub. L. No. 89-329 or the Higher Education Amendments of 1992, Pub. L. No. 103-325.

8. No authorization, approval, license or permit, are required, and no other action by, notice to or filing with, any governmental authority or judicial or regulatory body, is required (or, if required, such authorization, approval, license, permit, action or filing has been duly made or obtained) for the due execution and delivery and performance of the obligations of the Borrower under the Modification Documents.

9. The provisions of the Agreement are sufficient to create in favor of the Secretary and Trustee, on behalf of the Secretary, a valid pledge of and lien upon all right, title and interest

of the Borrower in the Pledged Revenues (as set forth in the Agreement, hereinafter the "Collateral").

The qualifications to which this opinion is subject are as follows:

(A) This opinion is limited to the laws of the State of South Carolina and the law of the United States as in effect on the date of this opinion. No opinion is expressed as to the laws of any other jurisdiction.

(B) We assume the Agreement has been duly authorized by the Lender and will be duly executed and delivered by the Lender in accordance with such authorization.

(C) Our opinion as to the enforceability of the obligations of the Borrower under the Agreement and any instrument or other agreement required thereunder is subject to bankruptcy, insolvency, moratorium, fraudulent conveyance liquidation and similar laws affecting creditor's rights generally or to matters of public policy.

(D) Our opinion is subject to the effect of general principles of equity (regardless of whether considered in a proceeding in equity or at law).

(E) In rendering this opinion, we have relied on certificates of the Borrower and resolutions authorizing the transactions contemplated by the Modification Documents. In our examination of all documents, certificates and records, we have assumed the genuineness of all signatures, the legal capacity of all natural persons executing documents, the authenticity of all documents submitted to us as originals and the conformity to authentic original documents of all documents submitted to us as copies. We have further assumed the validity and enforceability of all certificates, permits, authorizations and approvals issued by any governmental authority.

(F) As to various questions of fact material to such opinion, we have relied upon statements and representations of the officers and other representatives of the Borrower and of other public officials and agencies, which have not been independently established by us. In addition, as to various questions of fact we have relied upon the representations and warranties of the Borrower in the Modification Documents and various other certificates, which have not been independently established by us.

(G) The phrase "to our knowledge" refers to the actual knowledge of Gary T. Pope, Jr. and William Musser, the attorneys of this firm representing the Borrower in this transaction, without any further investigation unless otherwise noted. Except to the extent expressly and specifically noted herein, for purposes of this opinion, we have not made an independent review of any contracts, documents, agreements, instruments, writs, orders, judgments, rules, regulations or decrees which may have been executed by or which may be binding upon the Borrower or which may affect the property of the Borrower, nor have we undertaken to review any files of Borrower relating to transactions to which the Borrower may be a party or to discuss its transactions or business with any other agents or representatives of Borrower.

We do not have, nor do we undertake, any obligation to update any of the opinions set forth herein.

Very truly yours,

Attachment A

Modification Documents

1. First Amendment of Capital Project Loan Agreement, dated as of September 15, 2020, by and between the Borrower and the Lender.
2. Reimbursement Promissory Note Relating to Series A 2016-3 Bond, dated September 15, 2020, executed by the Borrower and delivered to the Lender.
3. First Amendment of Promissory Note Relating to Series A 2016-3 Bond, dated as of September 15, 2020, executed by the Borrower and delivered to the Lender.
4. Acknowledgment and Consent of the Borrower With Respect to the Deferment and Modification of the Series A 2016-3 Bond, dated as of September 15, 2020, executed by the Borrower.
5. Exhibit C-20 to Memorandum of Understanding – Acknowledgment, Authorization, Direction, Agreement and Consent, dated as of September 15, 2020, executed by the Borrower.

A RESOLUTION

APPROVING A MODIFICATION OF CERTAIN TERMS RELATED TO THE \$36,600,000 RICE CAPITAL ACCESS PROGRAM, LLC FUTURE ADVANCE PROJECT FUNDING BOND SERIES A 2016-3 (SOUTH CAROLINA STATE UNIVERSITY PROJECT) (LONG-TERM FIXED-RATE BOND) CLOSED ON SEPTEMBER 27, 2016, TO ALLOW SOUTH CAROLINA STATE UNIVERSITY TO AVAIL ITSELF OF CERTAIN CARES ACT PROVISIONS APPLICABLE TO THE HBCU PROGRAM, AND OTHER MATTERS RELATED THERETO.

As an incident to the adoption of this resolution (this "Resolution"), the South Carolina State Fiscal Accountability Authority (the "State Authority") recites the following:

WHEREAS, the Board of Trustees of South Carolina State University (the "Board of Trustees"), the governing body of South Carolina State University (the "University"), is authorized by Title 59, Chapter 147, Code of Laws of South Carolina, 1976, as amended (the "Higher Education Revenue Bond Act") to issue higher education facilities revenue bonds for the purpose of financing or refinancing the cost of acquisition, construction, reconstruction, renovation and improvement of land, buildings, and other improvements to real property and equipment for the purpose of providing facilities serving the needs of the University including, but not limited to, dormitories, apartment buildings, dwelling houses, bookstore and other University operated stores, laundry, dining halls, cafeterias, parking facilities, student recreational, entertainment and fitness related facilities, inns, conference and other non-degree educational facilities and similar auxiliary facilities of the University and any other facilities which are auxiliary to any of the foregoing excluding, however, athletic department projects which primarily serve varsity athletic teams of the University. Pursuant to the provisions of the Higher Education Revenue Bond Act, Title 11, Chapter 21, as supplemented by Title 11, Chapter 15, Article 5 and Title 6, Chapter 17 of the Code of Laws of South Carolina, 1976, as amended, the University is authorized to refinance its outstanding indebtedness.

WHEREAS, on May 18, 2005, the Board of Trustees adopted a resolution entitled "BOND RESOLUTION APPROVING A SERIES 2005 CAPITAL PROJECT LOAN AUTHORIZED UNDER PART D OF TITLE III OF THE HIGHER EDUCATION ACT OF 1965 AND THE HIGHER EDUCATION REVENUE BOND ACT IN AN AMOUNT NOT EXCEEDING \$42,000,000 AGGREGATE AMOUNT OF SOUTH CAROLINA STATE UNIVERSITY" (the "2005 Resolution"). Pursuant to the 2005 Resolution, the University entered into a Capital Project Loan Agreement whereby the University secured funds through a loan (the "2005 Capital Project Loan") to refinance certain outstanding bonds of the University and provided funds needed for the equipping and construction of a new dormitory for the housing of approximately 750 students, subject to the approval of the South Carolina State Budget and Control Board.

WHEREAS, on June 14, 2005, the South Carolina State Budget and Control Board, by resolution duly adopted, authorized the 2005 Capital Project Loan in accordance with the terms of the 2005 Resolution.

WHEREAS, on August 23, 2016, the Board of Trustees adopted a resolution entitled "BOND RESOLUTION APPROVING A 2016 CAPITAL PROJECT LOAN TO REFINANCE OR RESTRUCTURE A SERIES 2005 CAPITAL PROJECT LOAN AUTHORIZED UNDER PART D OF TITLE III OF THE HIGHER EDUCATION ACT OF 1965 AND THE HIGHER EDUCATION REVENUE BOND ACT IN AN AMOUNT NOT EXCEEDING \$37,500,000 AGGREGATE AMOUNT

OF SOUTH CAROLINA STATE UNIVERSITY” (the “2016 Resolution”) authorizing the refinancing of the 2005 Capital Project Loan, subject to the approval of the State Authority through a refinancing transaction (the “2016 Capital Project Loan”).

WHEREAS, on September 9, 2016, the State Authority, by resolution duly adopted, authorized the 2016 Capital Project Loan in accordance with the terms of the 2016 Resolution.

WHEREAS, on March 27, 2020, the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law and the provisions thereof, *inter alia*, provide for the deferment of loans facilitated by the federal government through its Historically Black College and University Capital Financing Program (the “HBCU Program”).

WHEREAS, by resolution dated July 10, 2020, the University authorized an application to the HBCU Program for a modification of the 2016 Capital Project Loan to access certain concessions and deferments offered in the CARES Act specific to the HBCU Program.

WHEREAS, by communication from the Executive Director of the U.S. Department of Education, Capital Financing Division, on September 1, 2020, the University was informed of its approval to participate in the CARES Act concessions and deferments specific to the HBCU Program, subject to receiving appropriate documentation of the Modifications (as defined herein) by September 15, 2020.

WHEREAS, by resolution dated September 14, 2020, the Board of Trustees adopted a resolution (the “Modification Resolution”) approving the modification of the terms of the 2016 Capital Project Loan (the “Modifications”) and authorizing the execution and delivery of all documents and agreements necessary to memorialize the same. The documents authorized in the Modification Resolution evidencing the Modifications, include, but are not limited to, the First Amendment of Capital Project Loan Agreement, First Amendment of Promissory Note Relating to Series A 2016-3 Bond, and the Reimbursement Promissory Note Relating to Series A 2016-3 Bond.

WHEREAS, the Modifications provide for the deferral of principal and interest payments due on the 2016 Capital Project Loan for a period anticipated to be approximately two years (but in no event to exceed five years), without the payment of additional interest, and the payment of the deferred amounts over a two-year period beginning after the current stated maturity of the 2016 Capital Project Loan. The Modifications do not increase the aggregate amount of principal and interest payable under the 2016 Capital Project Loan. The Modifications have the effect of exchanging the obligation of the University to pay debt service for the deferral period for the agreement to pay debt service at a defined future time.

WHEREAS, University has requested that the State Authority approve at this time the Modifications as authorized and set forth in the Modification Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH CAROLINA STATE FISCAL ACCOUNTABILITY AUTHORITY, IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

Section 1.01

The Modification Resolution, in the form adopted by the Board of Trustees, has been presented to the State Authority.

ARTICLE II

APPROVAL OF THE MODIFICATIONS

Section 2.01

The State Authority hereby approves and authorizes the University to undertake the Modifications as authorized and set forth in the Modification Resolution.

Section 2.02

On the basis of the foregoing and after due consideration of the facts above recited and other matters appurtenant thereto, this Resolution has been adopted.

Dated: September 14, 2020.